

Conference Engrossed

State of Arizona
Senate
Forty-fifth Legislature
Second Regular Session
2002

CHAPTER 324

SENATE BILL 1429

AN ACT

AMENDING SECTION 48-575, ARIZONA REVISED STATUTES; RELATING TO IMPROVEMENT DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-575, Arizona Revised Statutes, is amended to
3 read:

4 48-575. Improvement districts for enhanced municipal services

5 A. In addition to the purposes for which an improvement district may
6 be formed under the provisions of section 48-572, an improvement district may
7 be formed within a designated area to provide public service within the
8 district at a higher level or greater degree than provided in the remainder
9 of the community, including such services as public safety, fire protection,
10 refuse collection, street or sidewalk cleaning or landscape maintenance in
11 public areas, planning, promotion, transportation and public parking.

12 B. The powers and duties of the governing body of the municipality and
13 the procedure to be followed shall be as provided in this article for other
14 types of special improvement districts.

15 C. If a petition for the formation of an improvement district under
16 the provisions of this section is presented to the governing body purporting
17 to be signed by all of the real property owners in the proposed district,
18 exclusive of mortgagees and other lienholders, the governing body, after
19 verifying such ownership and making a finding of such fact, shall adopt a
20 resolution of intention to order the improvement pursuant to the provisions
21 of section 48-576 and shall have immediate jurisdiction to adopt the
22 resolution ordering the improvement pursuant to the provisions of section
23 48-581, without the necessity of the publication and posting of the
24 resolution of intention provided for in section 48-578.

25 D. The engineer shall make duplicate diagrams of the property
26 contained within the improvement district. The diagram shall show each
27 separate lot numbered consecutively, the area in square feet of each lot, and
28 the area in square feet of any building or buildings located on each
29 lot. Prior to making any assessment upon the district, the diagram shall be
30 approved by the governing body.

31 E. The governing body shall make annual statements and estimates of
32 the expenses of the district, and shall assess the total sum upon the several
33 lots, each respectively in proportion to the benefits to be received by each
34 lot. When the assessments have been completed, the governing body shall fix
35 a time when it will hear and pass upon the assessments and the prior
36 proceedings relating thereto which shall not be less than twenty days from
37 the date of the notice. Notice of hearing shall be given in the manner
38 provided by section 48-590, subsection E. Any person owning real property
39 affected by the assessment who has any objection to the legality of the
40 assessment, or to any of the previous proceedings connected therewith, may
41 prior to the time fixed for the hearing file a written notice briefly
42 specifying the grounds of the objection. At the time fixed for the hearing
43 or at any time not later than ten days thereafter to which the hearing may
44 be postponed, the governing body shall hear and pass upon the
45 objections. The decision of the governing body shall be final and conclusive

1 upon all persons entitled to object as to all errors, informalities and
2 irregularities which the governing body might have remedied or avoided any
3 time during the progress of the proceedings.

4 F. The assessments for the annual expenses shall be collectible in the
5 manner and by the officers provided by law for the collection and enforcement
6 of general taxes the municipality is authorized to levy. All statutes
7 providing for the levy and collection of county and city taxes, including the
8 collection of delinquent taxes and sale of property for nonpayment of taxes,
9 shall be applicable to the district assessments provided for under this
10 section.

11 G. An improvement district formed under the provisions of this section
12 shall not be authorized to issue improvement bonds.

13 H. No improvement district formed under the provisions of this section
14 shall be authorized to engage in any activity other than as provided in
15 subsection A of this section. If the municipality is willing to participate
16 in the cost of the district, the governing body may, by resolution, summarily
17 order such participation.

18 I. The formation of an improvement district under the provisions of
19 this section shall not prevent the subsequent establishment of improvement
20 districts for any other purpose authorized by law.

21 J. If, in the opinion of the governing body, any territory of a
22 district formed under this section is not benefited by being a part of the
23 district, the governing body may, by resolution, exempt such territory from
24 assessment under this chapter, or if any portion of the territory of a
25 district formed under this section is no longer benefited by being a part of
26 the district, the governing body may, by resolution, summarily delete from
27 the district formed under this section any such area and may form a new
28 district from the balance of the original district formed under this section.

29 K. Any real property that is within the boundaries of the district,
30 that is utilized for residential purposes and that is not specifically
31 benefited by the public services at a higher level or greater degree shall
32 be exempt from assessment pursuant to this section for that year. Existing
33 improved real property utilized for residential purposes with four units or
34 less per building at the time of formation of the district is presumed to not
35 be specifically benefited by a public service at a higher level or greater
36 degree.

37 L. Within ten days after adoption of the resolution of intention to
38 order the improvement, the municipality shall record the resolution in the
39 office of the county recorder in the county in which the district is located
40 in such a way as to give notice of formation of the district to all property
41 owners within the district.

42 M. If, in the opinion of the governing body of the municipality,
43 territory adjacent to a district formed under this section would benefit from
44 being a part of the district, the governing body, by resolution, may include

1 the territory in the district formed under this section if all of the
2 following conditions are met:

3 1. Including the territory in the district will not adversely affect
4 the district.

5 2. Notice of the proposed inclusion of the territory in the district
6 has been published in five consecutive issues of a daily newspaper or two
7 consecutive issues of a weekly or semiweekly newspaper of general circulation
8 published in the municipality and a public hearing has been held to consider
9 the inclusion of the territory in the district.

10 3. Notice, including an accurate map of the territory proposed for
11 inclusion in the district, has been sent by first class mail at least ten
12 days before the hearing prescribed in paragraph 2 to each owner of property
13 listed on the tax roll within the district and in territory that is now or
14 would be subject to taxation by the district in the event of inclusion of the
15 territory.

16 N. Within ten days after the governing body of the municipality adopts
17 a resolution pursuant to subsection M of this section, the municipality shall
18 record the resolution in the office of the county recorder in the county in
19 which the district is located to give notice of the inclusion of the
20 territory in the district to all property owners in the district. If, before
21 the governing body of the municipality adopts the resolution pursuant to
22 subsection M of this section, a majority of the property owners, by area, of
23 either the original district formed under this section or the territory
24 proposed to be included in the district files with the governing body of the
25 municipality written objections to the proposed inclusion of the territory,
26 the territory shall not be included in the district.

27 O. AN IMPROVEMENT DISTRICT TO PROVIDE ENHANCED MUNICIPAL SERVICES MAY
28 CONTINUE TO EXIST IN AN AREA THAT IS NO LONGER IN A DESIGNATED AREA AS
29 DEFINED IN SECTION 48-571, IF AT THE TIME OF DISTRICT FORMATION ALL OF THE
30 FOLLOWING APPLY:

31 1. THE AREA CONTAINED IN THE IMPROVEMENT DISTRICT HAS BEEN IN A
32 DESIGNATED AREA FOR FIVE OR MORE YEARS.

33 2. NOT MORE THAN TEN PER CENT OF THE FRONTAGE OF THE PROPERTY FRONTING
34 ON THE PROPOSED IMPROVEMENT, OR IF THE COST OF THE IMPROVEMENT IS TO BE MADE
35 CHARGEABLE ON A DISTRICT, NOT MORE THAN TEN PER CENT OF THE FRONTAGE OF THE
36 PROPERTY CONTAINED WITHIN THE LIMITS OF THE IMPROVEMENT DISTRICT, IS OWNED
37 BY THE SAME PERSON.

38 3. NOT MORE THAN ONE-THIRD OF THE PROPERTY OWNERS BY FRONTAGE OF THE
39 AREA CONTAINED IN THE IMPROVEMENT DISTRICT FILES WITH THE GOVERNING BODY OF
40 THE MUNICIPALITY WRITTEN OBJECTIONS TO THE IMPROVEMENT DISTRICT.

41 4. THE MUNICIPALITY OTHERWISE COMPLIES WITH THE PROVISIONS OF THIS
42 ARTICLE FOR THE PROCESS OF FORMING THE IMPROVEMENT DISTRICT.

43 Sec. 2. Retroactivity

44 This act is effective retroactively to April 1, 2002.

APPROVED BY THE GOVERNOR MAY 30, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 30, 2002.

Passed the House May 2, 2002,

by the following vote: 42 Ayes,

12 Nays, 6 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

Passed the Senate April 2, 2002,

by the following vote: 19 Ayes,

7 Nays, 4 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

 day of , 20 ,

at o'clock M.

Secretary to the Governor

Approved this day of

 , 20 ,

at o'clock M.

Governor of Arizona

S.B. 1429

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this day of , 20 ,

at o'clock M.

Secretary of State

HOUSE FINAL PASSAGE
as per Joint Conference

Passed the House May 20, 2002,

by the following vote: 55 Ayes,

1 Nays, 4 Not Voting

Speaker of the House

Chief Clerk of the House

SENATE FINAL PASSAGE
as per Joint Conference

Passed the Senate May 16, 2002,

by the following vote: 27 Ayes,

0 Nays, 3 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor

this 21 day of May, 2002

at 10:21 o'clock A M.

Secretary to the Governor

Approved this 30th day of

May, 2002,

at 11:32 o'clock 4 M.

Governor of Arizona

S.B. 1429

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 30 day of May, 2002

at 3:49 o'clock P. M.

Secretary of State